



RECEIVED

MOUNTAIN FUEL SUPPLY COMPANY

180 EAST FIRST SOUTH • P.O. BOX 11368 • SALT LAKE CITY, UTAH 84139 • (801) 534-5284

JAMES L. BALTHASER
MANAGER
RATES AND GAS SUPPLY

UTAH PUBLIC
SERVICE COMMISSION

November 12, 1985

Utah Public Service Commission
Heber M. Wells State Office Building
160 East 300 South
Fourth Floor
Salt Lake City, Utah 84110

Attention: Georgia Peterson

Gentlemen:

Re: Mountain Fuel's Monthly Report of Intercompany
Loan Activity as Required by the Commission
in its Order in Case No. 85-057-09.

Enclosed for filing with the Commission are twenty copies of a form showing October's Mountain Fuel Supply Company intercompany loan activity. It shows that Mountain Fuel has loaned Questar \$49 million as of October 30, 1985. Also enclosed is a sheet showing the computation of the intercompany interest rate associated with those loans.

If there are any questions or if the Company can provide additional information, please let me know.

Sincerely,

James L. Balthaser

JLB/tj

Enclosures

MOUNTAIN FUEL SUPPLY COMPANY
INTERCOMPANY INTEREST RATE

Calculation of Intercompany Interest Rate
October, 1985

Market Borrowing Rate (60 days)	<u>8.46</u>
Market Investment Rate (60 days)	<u>8.00</u>
	<u>16.46</u>
Intercompany Interest Rate (Average)	<u>8.23%</u>